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Fresno, California

May 25 , 2004

The City Council met in regular session at the hour of 8:30 a.m. in the Council Chamber, City Hall, on the day above written.

Present:	Tom Boyajian	Councilmember
	Brian Calhoun	Councilmember
	Mike Dages	Councilmember
	Jerry Duncan	Councilmember
	Henry Perea	Acting Council President
	Cynthia Sterling	Councilmember
	Brad Castillo	Council President

Dan Hobbs, City Manager
 Andy Souza, Assistant City Manager
 Hilda Cantu Montoy, City Attorney
 Jim Sanchez, Chief Assistant City Attorney
 Becky Klisch, City Clerk
 Yolanda Salazar, Assistant City Clerk

Councilmember Dages gave the invocation and President Castillo led the Pledge of Allegiance to the Flag.

PRESENTATION OF CERTIFICATES TO THE STREET MAINTENANCE DIVISION CONCRETE CREW FROM THE ADA ADVISORY COUNCIL

WELCOME AND INTRODUCTION OF THE FRESNO DE LA VEGA, SPAIN DELEGATION - PRESIDENT CASTILLO

PRESENTATION OF STUDENT RECOGNITION CERTIFICATES TO DISTRICT 7 STUDENTS - ACTING PRESIDENT PEREA

The certificates were presented and the Spain delegation was introduced and welcomed by the City Council.

APPROVE MINUTES:

On motion of Councilmember Sterling, seconded by Acting President Perea, duly carried, RESOLVED, the minutes of May 18, 2004, approved as submitted.

COUNCIL MEMBER REPORTS AND COMMENTS:

CONGRATULATIONS TO FRESNO COUNTY ON THE WOODWARD PARK REGIONAL LIBRARY - COUNCILMEMBER DUNCAN

Councilmember Duncan stated the facility was state of the art and encouraged everyone to visit.

COMMENDATION TO (1) MICHAEL McHATTEN AND CREW FOR THEIR WORK ON MEDIANS AND IRRIGATIONS SYSTEMS AT VAN NESS AND SHIELDS AVENUES, AND (2) THE CITY ATTORNEY'S OFFICE ON WINNING THE McMAHAN'S CASE - COUNCILMEMBER BOYAJIAN

Commendations made.

INTERNATIONAL SHOPPING CENTER CONFERENCE IN LAS VEGAS AND FOREST CITY'S DISPLAY/EXHIBIT OF THE DOWNTOWN FRESNO PROJECT - COUNCILMEMBER STERLING

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Councilmember Sterling advised she attended the conference and Forest City had their downtown Fresno plan on display and commended the company, and stated she and Forest City represented Fresno well.

COMMENDATION TO F.I.R.M. FOR ORGANIZING THE TOUR OF BLIGHTED APARTMENT COMPLEXES - ACTING PRESIDENT PEREA

Commendation made.

LACK OF CITY REPRESENTATION AT COG MEETINGS AND REQUEST FOR REPORT ON HOW ACTIVE THE CITY IS WITH COG - COUNCILMEMBER CALHOUN

Request made. Acting President Perea briefly left the meeting at 9:06 a.m.

REQUEST FOR STATUS REPORT ON THE CITY OF FRESNO GETTING AN ADDITIONAL SEAT ON COG - PRESIDENT CASTILLO

Request made.

APPROVE AGENDA:

On motion of Councilmember Sterling, seconded by President Castillo, duly carried, RESOLVED, the **AGENDA** hereby approved, by the following vote:

Ayes :	Boyajian, Calhoun, Dages, Duncan, Sterling, Castillo
Noes :	None
Absent :	Perea

ADOPT CONSENT CALENDAR:

Gloria Torrez stated consent items were not routine and needed to be considered separately; expressed concern with approving budget items when budget hearings have not been completed; relative to 1-E expressed concern with using Measure "C"/FAX monies to pay Calcot and questioned if the money would be returned; spoke in opposition to 1-R due to the parking that will be taken away from residents/businesses, and expressed concern with bike riders not using bike lanes and the transit subsidy project/providing free bus rides to people from north Fresno.

Barbara Hunt, 2475 S. Walnut, spoke in support of staff's work and their thorough review of consent items.

(1-A) APPROVE THE ACQUISITION OF A 29,506 SQUARE FOOT PARCEL AT 5166 N. MARKET STREET (APN 508-080-02S) WHICH THE CITY HAS BEEN LEASING AS A STORM WATER RETENTION BASIN, AND AUTHORIZE THE INTERIM PUBLIC WORKS DIRECTOR TO EXECUTE THE PURCHASE DOCUMENTS AND EFFECT THE COMPLETION OF THE ACQUISITION PROCESS

(1-B) RESOLUTION NO. 2004-174 - AUTHORIZING AN APPLICATION TO THE BOARD OF CORRECTIONS FOR FUNDING FROM THE 2004 JUVENILE ACCOUNTABILITY BLOCK GRANT PROGRAM FOR CONTINUATION OF THE TRUANCY UNIT AND COMPLETION OF RELATED DOCUMENTS

(1-D) APPROVE THE ACQUISITION OF AN EASEMENT ON THE NORTHEAST CORNER OF E. SHAW AND N. CEDAR AVENUES FROM THE TRUSTEES OF CALIFORNIA STATE UNIVERSITY NECESSARY FOR THE IMPROVEMENT OF THE SHAW AND CEDAR INTERSECTION, AND AUTHORIZE THE INTERIM PUBLIC WORKS DIRECTOR TO SIGN THE DOCUMENTS ON BEHALF OF THE CITY

(1-E) ACCEPT THE ANNUAL REPORT FROM CALCOT, LTD. REGARDING REIMBURSEMENT AS REQUIRED UNDER A DEVELOPMENT AGREEMENT APPROVED BY COUNCIL ON FEBRUARY 4, 1987

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(1-F) APPROVE THE FIRST AMENDMENT TO THE AGREEMENT WITH BROWN AND CALDWELL IN THE AMOUNT OF \$9,600 FOR ADDITIONAL SERVICES REQUIRED WITH THE PREPARATION OF THE WASTEWATER COLLECTION SYSTEM MASTER PLAN, AND AUTHORIZE THE CITY MANAGER OR DESIGNEE TO EXECUTE THE SAME

(1-G) RESOLUTION NO. 2004-175 - INTENT TO ANNEX FINAL TRACT NO. 5096 TO CITY OF FRESNO COMMUNITY FACILITIES DISTRICT NO. 2, ANNEXATION NO. 70, AND SETTING THE PUBLIC HEARING FOR JUNE 29, 2004, AT 10:00 A.M.

(1-H) CONFIRMING THE APPOINTMENTS OF GENE RICHARDS (COUNCILMEMBER STERLING), BILL SCOTT (COUNCILMEMBER CALHOUN), AND ERIC PARSONS (COUNCILMEMBER DAGES) TO THE BICYCLE AND PEDESTRIAN ADVISORY COMMITTEE

(1-I) RESOLUTION NO. 2004-176 - 14TH AMENDMENT TO SALARY RES. 2003-213 AUTHORIZING AN INCREASE IN THE CITY'S CONTRIBUTION TO THE FRESNO CITY EMPLOYEES HEALTH AND WELFARE TRUST FOR FULL-TIME PERMANENT EMPLOYEES OCCUPYING CLASSES IN EXHIBIT 2, SECTION 2.0, NON-REPRESENTED CLASSES, AND EXHIBIT 7, GROUP 8, NON-REPRESENTED

(1-J) RESOLUTION NO. 2004-177 - 13TH AMENDMENT TO SALARY RES. 2003-213 ADDING THE CLASSIFICATION OF PROSTITUTION ABATEMENT & REHABILITATION PROGRAM SPECIALIST IN THE POLICE DEPARTMENT

(1-K) RESOLUTION NO. 2004-178 - APPROVING THE FINAL MAP OF TRACT NO. 5184 AND ACCEPTING DEDICATED PUBLIC USES THEREIN, PROPERTY LOCATED ON THE NORTHWEST SIDE OF N. SALINAS AVENUE BETWEEN N. FIGARDEN AND W. SAN JOSE AVENUES IN COUNCIL DISTRICT 2

1. AUTHORIZE THE PUBLIC WORKS DIRECTOR TO EXECUTE THE SUBDIVISION AGREEMENT
2. AUTHORIZE THE PUBLIC UTILITIES DIRECTOR TO EXECUTE THE STATEMENT OF COVENANTS AFFECTING LAND DEVELOPMENT FOR SPECIAL SOLID WASTE SERVICES
3. AUTHORIZE THE PLANNING AND DEVELOPMENT DIRECTOR TO EXECUTE THE STATEMENT OF COVENANTS AFFECTING LAND DEVELOPMENT DEFERRING CERTAIN SEWER CONNECTION CHARGES, WATER CONNECTION CHARGES, URBAN GROWTH MANAGEMENT FEES AND DEVELOPMENT FEES TO THE TIME OF ISSUANCE OF CERTIFICATE OF OCCUPANCY AND CREATION OF LIEN

(1-L) RESOLUTION NO. 2004-179 - APPROVING THE FINAL MAP OF TRACT NO. 5189 AND ACCEPTING DEDICATED PUBLIC USES THEREIN, PROPERTY LOCATED ON THE NORTH SIDE OF E. SHIELDS BETWEEN N. FOWLER AND N. ARMSTRONG AVENUES IN COUNCIL DISTRICT 4

1. AUTHORIZE THE PUBLIC UTILITIES DIRECTOR TO EXECUTE THE STATEMENT OF COVENANTS AFFECTING LAND DEVELOPMENT FOR INTERIM SEWER SURETY FEE AND THE STATEMENT OF COVENANTS AFFECTING LAND DEVELOPMENT SPECIAL SOLID WASTE SERVICE
2. AUTHORIZE THE PUBLIC WORKS DIRECTOR TO EXECUTE THE SUBDIVISION AGREEMENT AND THE STATEMENT OF COVENANTS AFFECTING LAND DEVELOPMENT FOR LANDSCAPE MAINTENANCE
3. AUTHORIZE THE PLANNING AND DEVELOPMENT DIRECTOR TO EXECUTE THE STATEMENT OF COVENANTS AFFECTING LAND DEVELOPMENT DEFERRING CERTAIN SEWER CONNECTION CHARGES, WATER CONNECTION CHARGES, URBAN GROWTH MANAGEMENT FEES AND DEVELOPMENT FEES TO THE TIME OF ISSUANCE OF CERTIFICATE OF OCCUPANCY AND CREATION OF LIEN

(1-M) ADOPT THE MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE CITY AND THE FRESNO CITY FIREFIGHTERS ASSOCIATION, LOCAL 753, INTERNATIONAL ASSOCIATION OF FIREFIGHTERS (FIRE NON-MANAGEMENT IAFF UNIT 05), COVERING THE PERIOD JULY 1, 2003, THROUGH DECEMBER 31, 2004

(1-N) ADOPT THE MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE CITY AND THE FRESNO CITY FIREFIGHTERS, LOCAL 753, INTERNATIONAL ASSOCIATION OF FIREFIGHTERS (FIRE MANAGEMENT-IAFF UNIT 10) COVERING THE PERIOD JULY 1, 2003, THROUGH JUNE 30, 2005

(1-O) APPROVE REAPPOINTMENTS OF JOHN TEXEIRA AND JIM COTTON TO THE HOUSING AUTHORITY - MAYOR AUTRY

On motion of Councilmember Dages, seconded by Councilmember Sterling, duly carried, RESOLVED, the above entitled **CONSENT CALENDAR** hereby adopted, by the following vote:

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Ayes : Boyajian, Calhoun, Dages, Duncan, Sterling, Castillo
 Noes : None
 Absent : Perea

(2-A) PROVIDE DIRECTION TO STAFF ON RECOMMENDED FOLLOW-UP ACTION TO THE PUBLIC SAFETY COMMISSION REPORT

Management Analyst Zieba gave an overview of the issue as contained in the staff report as submitted, using charts to illustrate; noted city officials, staff, and union representatives held an assessment meeting on the Commission's recommendations and advised the consensus was a November ballot measure for a tax was premature as the community was unaware of the city's financial straits and public safety needs and the city needed to launch a public safety campaign about the needs and the funding options; and advised of and requested approval of staff's recommendations **(2 - 0)** as outlined in the staff report. Acting President Perea returned to the meeting at 9:18 a.m.

Barbara Hunt, 2475 S. Walnut, spoke to the issue.

Councilmember Calhoun commended the Commission and staff; commented on the issue and noted although it was stated 99% of the general fund would be taken up by the year 2009 he believed the city would start having problems in 2006 and elaborated at length; encouraged moving forward on an educational campaign stating a November ballot measure was not for the city; and made a motion to approve staff's recommendations stating they were reasonable. Councilmember Duncan seconded the motion; noted he attended the meeting that resulted in this report and advised everyone in attendance supported the recommendations being presented this date and spoke to why they felt November was too early for a tax ballot measure; stated the graph should be revised because three things were going to impact the general fund in 2006 (with Finance Director/Controller Quinto stating it would be updated once the budget was adopted); and spoke in support of the motion and encouraged Council to start having neighborhood meetings and educate the community on the seriousness of the situation.

Lengthy discussion ensued. Councilmember Boyajian stated there were some things in the report he liked and some he disliked, and stated the recommendations did not go far enough and spoke to the need to make developers pay their way with appropriate fees and elaborated. Acting President Perea spoke in support of the recommendations and upon question, City Manager Hobbs and Ms. Quinto clarified the numbers quoted for City Hall efficiencies. President Castillo presented questions at length relative to whether the motion included all the recommendations including conferring with Fresno County, why staff was not moving faster on the UGM issue, the \$49 million balance of the UGM fund including what those funds could be used for, when the funds were going to be used, what Council has to do to access those funds, if there was legislation that would allow Council to supercede what was currently in place, who Council could contact at the State level to make changes, when staff would be bringing their UGM report to Council, and what type of dialogue was taking place with Fresno County relative to no additional taxes that could be relayed to the voters, with Councilmember Duncan, Mr. Hobbs, City Attorney Montoy and Assistant City Manager Ruiz responding throughout.

On motion of Councilmember Calhoun, seconded by Councilmember Duncan, duly carried, RESOLVED, (1) staff directed to begin the community dialogue process on (a) the public safety needs of the City of Fresno and the associated cost of those capital and operating needs, (b) the dire funding straits that the City finds itself in due to State actions, economic recovery trends, etc., (c) the efficiencies and operational changes already pursued by the City to ensure that the City is getting the "best bang for the taxpayers buck", and (d) the options for meeting the public safety needs including a possible Sales and Use Tax, Utility User Tax which would exempt those low-income users on "lifeline rates", and possible assessment districts for public safety capital needs; (2) staff to pursue the following during the community dialogue: contacting media outlets and engaging the public through the media such as Channel 14, preparing the City's website for on-line feedback from the community, and holding public forums and pro-actively addressing the major community groups and organizations (such as the Chamber of Commerce, Fresno Business Council, etc.); (3) staff to continue the dialogue with the County on possible ballot measures for this November and explore alternatives to a sales tax on City residents for meeting the County public safety needs directly related to City of Fresno policing policies including exploring any reasonable consolidation opportunities for public safety services and fire and police/sheriff services recommended by both the City of Fresno Public Safety Commission and the Fresno County Public Safety Citizen's Committee; and (4) staff to return to Council in approximately 90 days with recommendations on the other items suggested by the Public Safety Commission, such as a possible sprinkler ordinance, cost saving alternatives for consolidation of public safety services in the metropolitan area, and possible use of the Opticom system, etc., by the following vote:

Ayes : Boyajian, Calhoun, Dages, Duncan, Perea, Sterling, Castillo
 Noes : None

Absent : None

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(10:00 A.M.) CONTINUED HEARING ON COMMUNITY FACILITIES DISTRICT NO. 2, ANNEXATION NO. 68, FINAL TRACT MAP NO. 5163

1. RESOLUTION NO. 2004-180 - ANNEXING TERRITORY AND AUTHORIZING THE LEVY OF A SPECIAL TAX

2. RESOLUTION NO. 2004-181 - CALLING A SPECIAL MAILED-BALLOT ELECTION

3. RESOLUTION NO. 2004-182 - DECLARING ELECTION RESULTS

4. BILL NO. B-55 - ORDINANCE NO. 2004-56 - LEVYING A SPECIAL TAX FOR PROPERTY TAX YEAR 2003-2004 AND FUTURE TAX YEARS

President Castillo announced the time had arrived to consider the issue and opened the hearing. Public Works Director Kirn reviewed the issue as contained in the staff report as submitted and recommended approval. Councilmember Calhoun briefly left the meeting at 10:02 a.m.

Barbara Hunt, 2475 S. Walnut, spoke to the issue.

Upon call, no one else wished to be heard and President Castillo closed the hearing.

On motion of President Castillo, seconded by Councilmember Dages, duly carried, RESOLVED, the above entitled Resolution Nos. 2004-180, 2004-181 and 2004-182 hereby adopted, and the above entitled Bill No. B-55 adopted as Ordinance No. 2004-56, by the following vote:

Ayes : Boyajian, Dages, Duncan, Perea, Sterling, Castillo
 Noes : None
 Absent : Calhoun

(10:05 A.M.) JOINT MEETING WITH THE REDEVELOPMENT AGENCY

The City Council recessed at 10:04 a.m. and convened in joint session with the Redevelopment Agency at 10:05 a.m. Councilmember Calhoun returned to the meeting at 10:05 a.m.

APPROVE AGENCY MINUTES OF MAY 18, 2004

On motion of Councilmember Dages, seconded by Acting President Perea, duly carried, RESOLVED, the Agency minutes of May 18, 2004, approved as submitted.

("A") JOINT RESOLUTION NO. 2004-183 /1649 - ESTABLISHING W. DAN RONQUILLO DRIVE CONNECTING THE HUGHES-WEST DIAGONAL TO S. WEST AVENUE BETWEEN W. NEILSEN AND W. WHITESBRIDGE AVENUES

(3 - 0) Planning and Development Director Yovino reviewed the issue as contained in the staff report as submitted and recommended the resolution be adopted.

Speaking to the issue were: Brad Smith, Chair, Roeding Business Park PAC, who spoke in support stating no one worked harder than Mr. Ronquillo on the business park; Dan Ronquillo, who thanked PAC members, Mr. Lyles and Mr. Dietl, and Council for recognizing him, and spoke to his service on the Council and to the good things that happened during his tenure and are continuing to happen; Barbara Hunt, 2475 S. Walnut; and Harlan Kelly, on behalf of the West Fresno Concerned Citizens' Committee.

Councilmember Sterling spoke in support of the issue and to Mr. Ronquillo's vision stating he laid the foundation for what has happened in her district, thanked Mr. Ronquillo for all he has given and contributed to the community, and made a motion to adopt the resolution. The motion was seconded by Councilmember Duncan and acted upon after brief comments from President Castillo and Councilmembers Calhoun and Boyajian who also spoke in support of the motion and commended Mr. Ronquillo for being a strong advocate for west Fresno, the Roeding Business Park, the Redevelopment Agency, the city of Fresno, and the entire region.

On motion of Councilmember Sterling, seconded by Councilmember Duncan, duly carried, RESOLVED, the above entitled Joint

Resolution No. 2004-183/1649 hereby adopted, by the following vote:

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Ayes : Calhoun, Castillo, Dages, Duncan, Perea, Sterling, Boyajian
 Noes : None
 Absent : None

("B") AWARD A CONTRACT TO GARCIA PAVING COMPANY, INC., OF FRESNO FOR ELM AVENUE BEAUTIFICATION FROM JENSEN AVENUE TO NORTH AVENUE (AGENCY ACTION)

Purchasing Manager Smith reviewed the issue as contained in the staff report as submitted and recommended approval.

Barbara Hunt, 2475 S. Walnut, spoke in support.

A motion and second was made to approve staff's recommendation. Upon question of Councilmember Calhoun, Ms. Smith submitted for the record the Evaluation of Bid Proposals which was inadvertently omitted from the staff report, and responded to questions of Councilmember Dages relative to the 90 days to complete the project.

On motion of Councilmember Calhoun, seconded by Councilmember Sterling, duly carried, RESOLVED, a contract hereby awarded to Garcia Paving Co., in the amount of \$1,817,087.64 for Elm Avenue Beautification from Jensen to North Avenues, by the following vote:

Ayes : Calhoun, Castillo, Dages, Duncan, Perea, Sterling, Boyajian
 Noes : None
 Absent : None

The joint bodies adjourned their meeting at 10:31 a.m. and the City Council reconvened in regular session.

(10:30 A.M.) CONTESTED CONSENT CALENDAR:

(1-C) AWARD A CONTRACT TO LEWIS C. NELSON & SONS, INC., OF SELMA, CA, FOR CONSTRUCTION OF FIRE STATION NOS. 15 AND 17

Councilmember Duncan stated he had many questions and was told by staff the contract did not have to be awarded until July and made a motion to table the matter for two weeks.

On motion of Councilmember Duncan, seconded by Councilmember Sterling, duly carried, RESOLVED, the above entitled Item 1-C tabled two weeks, by the following vote:

Ayes : Boyajian, Dages, Duncan, Sterling
 Noes : Calhoun, Perea, Castillo
 Absent : None

(1-P) APPROVE A HOME INVESTMENT PARTNERSHIPS (HOME) PROGRAM COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (CHDO) AGREEMENT BETWEEN THE CITY AND THE CENTRAL COMMUNITY DEVELOPMENT CENTER (CCDC) AUTHORIZING A \$37,000 ZERO-INTEREST LOAN FOR PRE-DEVELOPMENT COSTS ASSOCIATED WITH A PROPOSED AFFORDABLE HOUSING PROJECT, TOGETHER WITH SUCH MODIFICATIONS AS COUNCIL MAY AUTHORIZE AT THE HEARING

HCD Manager Sigala responded to questions of President Castillo relative to what "pre-development costs" were, if the funds would be used for grant match, total units, if the City would be asked for match funds at a later date, time line for the process, and how the city could help the developer move the process along more expediently. President Castillo offered his assistance to the developer and requested he contact him if he needs help in taking the application to the federal government.

On motion of President Castillo, seconded by Councilmember Duncan, duly carried, RESOLVED, a Home Investment

Partnerships (HOME) Program Community Housing Development Organization (CHDO) agreement between the City and the Central Community Development Center (CCDC) authorizing a \$37,000 zero-interest loan for pre-development costs associated with a proposed affordable housing project together with such modifications as Council may authorize on the date of the hearing hereby approved, by the following vote:

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Ayes : Boyajian, Calhoun, Dages, Duncan, Perea, Sterling, Castillo
 Noes : None
 Absent : None

(1-Q) RESOLUTION NO. 2004-184 - 86TH AMENDMENT TO AAR 2003-209 APPROPRIATING \$750,000 FROM THE VARIOUS DEPARTMENTS FOR THE PURPOSE OF MAINTAINING A SOLVENT WORKERS' COMPENSATION FUND FOR THIS FISCAL YEAR

Risk Analyst Connelly, Budget Manager Smith and City Manager Hobbs responded to questions of President Castillo and Councilmember Dages relative to whether the General City Purpose department was a new department, how the figures for each department were determined, amount coming out of the fire and police departments, the resolution being unclear/difficult to understand and why it was set up this way, how much worker's compensation has increased, and funding source(s) for the appropriation. Mr. Hobbs stated workers comp was a problem area for the city and the entire state and added staff was actively taking steps to address the issue.

On motion of Councilmember Duncan, seconded by Councilmember Dages, duly carried, RESOLVED, the above entitled Resolution No. 2004-184 hereby adopted, by the following vote:

Ayes : Boyajian, Calhoun, Dages, Duncan, Perea, Sterling
 Noes : Castillo
 Absent : None

(1-R) RESOLUTION - 88TH AMENDMENT TO AAR 2003-209 APPROPRIATING \$31,100 TO THE PUBLIC WORKS CAPITAL BUDGET FOR THE INSTALLATION OF CLASS II BICYCLE LANES ON (1) ASHLAN AVENUE BETWEEN GOLDEN STATE BOULEVARD AND WEST AVENUE IN THE AMOUNT OF \$22,425, AND (2) ASHLAN AVENUE BETWEEN CEDAR AVENUE AND FIRST STREET IN THE AMOUNT OF \$8,719

Councilmember Dages expressed his frustration with the issue being back on the agenda, noted businesses were present when it failed last week and they were not present this date as they were unaware it was back on, and stated it was rude for staff to put the matter back on the agenda and questioned what was going on. Transportation Manager Benavides responded and advised it was put back on at the request of President Castillo and City Manager Hobbs added the report should have been clear and indicated that.

Mr. Benavides responded to questions of Councilmembers Sterling, Boyajian and Dages and/or clarified issues relative to what could be done to allow cars to park in bike lanes, if the subject funds were restricted for these locations, if the funds would be lost if the resolution failed, **(4 - 0)** if the large diesel trucks that currently park on Ashlan would not be able to park with a bike lane in place, and what the difference was between bike lanes and bike routes.

President Castillo made a motion to adopt the resolution which was seconded by Acting President Perea. Upon question of President Castillo, Mr. Benavides stated the affected businesses were not notified that the issue was going to be back on the agenda, whereupon President Castillo withdrew his motion and made another motion to table the matter two weeks and for staff to work with the affected parties in the interim to try to address concerns. Councilmember Calhoun questioned the process stating he felt the matter was not properly before Council, with City Attorney Montoy stating it was and explained.

A motion of President Castillo, seconded by Acting President Perea, to table the matter two weeks to allow staff to work with the affected parties failed, by the following vote:

Ayes : Perea, Sterling, Castillo
 Noes : Boyajian, Calhoun, Dages, Duncan
 Absent : None

A motion of Councilmember Dages, seconded by Councilmember Duncan, to deny the resolution failed, by the following vote:

Ayes : Dages, Duncan
 Noes : Boyajian, Calhoun, Perea, Sterling, Castillo
 Absent : None

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A motion of Councilmember Calhoun, seconded by Acting President Perea, to adopt the above entitled Resolution failed, due to the need for 5 affirmative votes, by the following vote:

Ayes : Boyajian, Calhoun, Perea, Castillo
 Noes : Dages, Duncan, Sterling
 Absent : None

On motion of Councilmember Boyajian, seconded by President Castillo, duly carried, RESOLVED, the above entitled Item 1-R continued two weeks and staff to inform the businesses, by the following vote:

Ayes : Boyajian, Perea, Sterling, Castillo
 Noes : Calhoun, Duncan, Dages
 Absent : None

(2-B) RESOLUTION NO. 2004-185 - ESTABLISHING A PROCEDURE FOR THE CREATION OF BOARDS, COMMISSIONS, COMMITTEES AND SIMILAR BODIES OF THE CITY BY THE CITY COUNCIL, MAYOR AND INDIVIDUAL COUNCIL MEMBERS

City Attorney Montoy reviewed the issue as contained in the staff report as submitted stating this was a way to streamline the process and recommended approval.

Barbara Hunt, 2475 S. Walnut, expressed concern with the ethnic makeup of boards and commissions.

Councilmember Duncan commended staff and spoke to the need to include language relative to expiration terms stating he had a concern with boards and commissions going on indefinitely. Ms. Montoy responded and advised language could be included under #3 of Exhibit A. A motion and second was made to amend #3 in Exhibit A to include language calling for a four (4) year expiration period unless otherwise stated. Councilmember Dages questioned if language should be included relative to requiring city residency with Ms. Montoy advising the resolution allowed that on a case-by-case basis as a board/commission is being created.

On motion of Councilmember Duncan, seconded by Councilmember Calhoun, duly carried, RESOLVED, the above entitled Resolution No. 2004-185 hereby adopted, as amended, on Exhibit A, #3, including language for a four (4) year expiration period unless otherwise stated in the resolution, by the following vote:

Ayes : Boyajian, Calhoun, Dages, Duncan, Perea, Sterling, Castillo
 Noes : None
 Absent : None

(3-A) DIRECT STAFF TO INCLUDE LANGUAGE WITHIN THE HANDY RIDE REQUEST FOR PROPOSALS (RFP) THAT CLEARLY PROVIDES PROTECTIONS FOR THE EXISTING WORK FORCE TO INCLUDE PREFERENTIAL HIRING AND ESTABLISHING MINIMUM LEVELS FOR BENEFITS AND WAGES THAT PROTECT THE EXISTING LEVEL NOW PROVIDED TO THE WORK FORCE - COUNCILMEMBER DAGES

Councilmember Dages stated he did not want to see Handy Ride go out to bid again as they were doing well, stated he wanted to ensure that the current employees are saved and taken into consideration when the RFP is put out, clarified he wanted to stay within all applicable laws and at the same time protect the employees due to the tremendous job they have done, and requested Council's support and made a motion to include the employees in the RFP with their jobs protected through the RFP process, which motion was seconded and subsequently changed to reflect the above language.

Speaking to the issue were: Barbara Hunt, 2475 S. Walnut; and Rick Steitz, Business Agent, who stated he wanted to see included in the RFP protection for jobs and the current service provided, Laidlaw.

Councilmember Duncan commended Councilmember Dages for his intent but stated he would oppose the motion as he felt there were other ways to address the issue and he also felt the city should not start making demands on private businesses and decide what a private business will pay their employees adding that was very inappropriate.

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Upon question of President Castillo, City Manager Hobbs confirmed these were private sector employees; pointed out for the record the City was obligated to provide this service for people in need, taxpayer dollars were involved, and reasonable competition was a good thing and in the public's interest; expressed concern with getting too involved in a private matter that is subject to bidding; and added he heard Mr. Steitz' concern about service but stated overriding points were managed competition and not getting into telling the private sector how they are going to do business.

Transit General Manager Rudd confirmed there were concerns with the direction as far as mandating certain levels, noted there were also concerns from a customer standpoint relative to retaining current employees due to the type of service they provide and the unique relationships formed, and advised the RFP could be crafted to address those concerns yet maintain the competitiveness needed and explained.

Lengthy discussion ensued. Mr. Rudd, City Attorney Montoy and Mr. Steitz responded to questions and/or comments of Councilmembers Sterling and Boyajian relative to whether the City ever provided handy ride service, who currently provides the service, if restrictions were wanting to be placed on the service, if the city of Fresno was a potential bidder, need to ask the service provider to retain the current quality standards, if the motion was to protect the private company, how this motion will help city employees, Mr. Rudd clarifying what was now included in the RFP, employees receiving less income anytime a service is outsourced, if there was any way to insure a certain income/benefit package for the employees (**5 - 0**), and if including protections in the RFP could be called unfair for the current provider and other proposers.

Councilmember Dages clarified his motion was meant to be exactly as that listed above and corrected it; noted a section in the RFP allowed for protection and he felt that meant it was not mandatory; and reiterated he wanted employees protected as he did not want to lose them and he wanted the same level of service for the community and he wanted all that in writing, with Mr. Rudd responding. Acting President Perea stated the message was simple and was if savings are found, fine, just don't do it on the backs of employees, and stated he had a concern with changing the service provider and disrupting people's lives and explained, and added he was also nervous about even moving towards an RFP. Mr. Rudd, Mr. Hobbs and Ms. Montoy responded to questions of President Castillo relative to whether it was the city's intent, if successful, to keep the current employees and give employees the same benefits as city employees, how that put the city at a disadvantage, number of Laidlaw employees that would be affected, Mr. Hobbs clarifying the city's obligation to accept employees/the right to refuse/what the city would review, if there were other providers besides Laidlaw that could provide this service, what the language "*clearly provides protections*" in the motion implied, and re-clarification that there will be language that allows for protections but does not mandate it to ensure the RFP is in compliance with Federal law.

On motion of Councilmember Dages, seconded by Councilmember Sterling, duly carried, RESOLVED, staff directed to include language within the Handy Ride Request for Proposals (RFP) that clearly provides protections for the existing work force including preferential hiring and establishing minimum levels for benefits and wages that protect the existing level now provided to the work force, by the following vote:

Ayes :	Dages, Perea, Sterling, Castillo
Noes :	Boyajian, Calhoun, Duncan
Absent :	None

(4-A) SCHEDULED PUBLIC COMMENT - APPEARANCE BY TIMOTHY SANDERS TO REQUEST A REVISION TO THE GUIDELINES RELATING TO THE HOME BUYER ASSISTANCE PROGRAM

Mr. Sanders stated he went through the program and met all requirements and was later told by his lender the funding for his packet was reduced, expressed concern with the change in mid-stream, and requested the planning & development department's decision be overturned if possible and that the funding be provided to him. City Manager Hobbs advised the funds Mr. Sanders was referring to was "gap" financing and those dollars were intended to close gaps and get people into homes, and clarified Mr. Sanders qualified to get into his home without City assistance therefore the City was not going to provide the \$40,000.

Lengthy discussion ensued with Mr. Hobbs and staff responding to questions, comments and/or concerns of Councilmembers Dages, Sterling and Boyajian relative to the program and requirements, Mr. Sanders' qualifying to get into his home on his own, concern with Mr. Sanders being misled, Mr. Sanders' lender telling him he was going to receive the funds -- not the city of Fresno, what the alternatives were, if staff talked with Mr. Sanders and explained all issues, the housing policy and staff following direction, gap financing not being a guarantee, and the possibility of this happening to other families and need for Council to deliberate the funding issue during budget. There was no further discussion.

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LUNCH RECESS - 12:25 P.M. - 1:30 P.M.

CLOSED SESSION:

(A) CONFERENCE WITH REAL PROPERTY NEGOTIATORS:

PROPERTY: CENTRAL VALLEY PROJECT (CVP) WATER SUPPLY CONTRACT RENEWAL

CITY NEGOTIATORS: PUBLIC UTILITIES DIRECTOR, CONTRACT COUNSEL (HATCH & PARENT), AND CITY ATTORNEY

NEGOTIATING PARTIES: BUREAU OF RECLAMATION (DEPARTMENT OF INTERIOR, U.S. GOVERNMENT)

UNDER NEGOTIATION: LONG-TERM WATER SUPPLY CONTRACT FROM CVP

The City Council met in closed session in Room 2125 at the hour of 1:30 p.m. to consider the above issue and reconvened in regular open session at 2:07 p.m.

CLOSED SESSION ANNOUNCEMENT

City Attorney Montoy announced CVP contract renewal negotiations proceeded sufficiently, Council directed staff to undertake CEQA review of the proposed renewal contract, staff anticipates the final renewal contract and associated CEQA analysis will be presented to Council in late summer or early fall of 2004 with final action conducted at a public meeting, and a copy of the current draft of the proposed contract will be filed with the city clerk's office and be subject to public review.

(11:00 A.M.) CONTINUED HEARING ON THE FY 2005 CITY OF FRESNO BUDGET

1. RESOLUTION - ADOPTING THE FY 2004-2005 BUDGET, INCLUDING THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) BUDGET AND THE ANNUAL APPROPRIATION RESOLUTION (AAR)
2. RESOLUTION - ADOPTING THE FY 2004-2005 POSITION AUTHORIZATION RESOLUTION (PAR)
3. RESOLUTION - ADOPTING THE ANNUAL AMENDMENT TO MASTER FEE SCHEDULE RESOLUTION NO. 80-420
4. BILL (FOR INTRODUCTION AND ADOPTION) - ADOPTING THE PROPERTY TAX OVERRIDE (PTO) ORDINANCE
5. SELECTION OF METHODOLOGY FOR DETERMINATION OF THE FY 2004-2005 GANN APPROPRIATION LIMIT
6. RESOLUTION - ADOPTING THE FY 2005 SALARY RESOLUTION - ESTABLISHING RULES FOR THE APPLICATION OF CITY EMPLOYEE COMPENSATION RATES AND SCHEDULES AND RELATED REQUIREMENTS, AND ESTABLISHING COMPENSATION RATES AND SCHEDULES

DEPARTMENTS SCHEDULED FOR PRESENTATIONS/COUNCIL CONSIDERATION (AS TIME PERMITS):

1. GENERAL CITY PURPOSE
2. PLANNING AND DEVELOPMENT DEPARTMENT
3. FIRE DEPARTMENT
4. AIRPORTS DEPARTMENT
5. FINANCE DEPARTMENT
6. ECONOMIC DEVELOPMENT DEPARTMENT

President Castillo announced the time had arrived to consider the issue and opened the hearing.

Speaking to budget issues were: Barbara Hunt, 2475 S. Walnut, who spoke to various department issues **(6 - 0)**; and Matilda Rangel, Central California Criminal Justice Committee, Rebecca Rangel, 130 E. Harvard, and Tracy Pepper, League of Women Voters, all

in support of the proposed independent police auditor (IPA).

GENERAL CITY PURPOSE (GCP):

Budget Manager Smith advised the GCP Department was made up of three divisions: the Retirement Office, the Redevelopment Services Division and the Intergovernmental Relations Division, and gave an overview of the department's budget and key initiatives.

Upon question of Councilmember Duncan, City Attorney Montoy stated it was appropriate to make a motion on the Independent Police Auditor (IPA) prior to the Mayor and Police Chief's presentation as this was an on-going public hearing.

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Councilmember Duncan stated the \$3.1 million reduction due to Sacramento was not reflected in this budget and proposed establishment of a "Sacramento Relief Contingency Fund".

MOTION - Duncan/Perea - Establish a Sacramento Relief Contingency Fund.

MOTION - Duncan/Calhoun - Eliminate the position of Independent Police Auditor (IPA) and move the \$180,000 for that position into the Sacramento Relief Contingency Fund.

Councilmember Duncan stated the paragraph Council received to fund a staff person for the Fresno West Coalition at \$65,000 did not justify what the position would be doing relative to programs that were really producing, and stated CURE was woefully underfunded and he felt additional funding for CURE could result in some significantly quality housing in the inner-city.

MOTION - Duncan/Calhoun - Relocate the CDBG funding in the amount of \$65,000 for the Fresno West Coalition to CURE.

President Castillo stated there will be instances where inaccurate numbers will be put out there and advised he afforded the city manager the ability to immediately weigh in and correct any misunderstanding so the misinformation does not continue in discussions and dialogue.

Councilmember Sterling spoke briefly to the increased funds for GCP department, the funds proposed for the IPA, and the Sacramento Relief Fund.

MOTION - Sterling/Boyajian - Move the \$180,000 allocated for the IPA to a contingency account until the Council has the opportunity to have a hearing on the matter so the different models could be discussed with public input.

Councilmember Calhoun presented questions/concerns relative to the House of Hope facility renovation in the amount of \$60,000, how that was different from any other social service agency, if the House of Hope was also competing for social service funding, the funding recommendations and if this was double-dipping, why they were being proposed for CDBG funds and not social service funds, and expressed concern with the "back door" approach, with Ms. Smith and Mayor Chief of Staff White responding.

MOTION - Boyajian/Sterling - Place the funding for the House of Hope, CURE and the Fresno West Coalition into contingency until further review.

Discussion ensued with Ms. Smith, Controller/Finance Director Quinto, City Manager Hobbs and Ms. Montoy responding to questions of Councilmember Boyajian, Acting President Perea and Councilmember Dages and/or clarifying issues relative to the investment consultants and why they were changed, Federal and State consultants, who MBIA and the Busby Group were, the ADA assessment, why the department's budget was increased by \$800,000, if CDBG funds could be used for Sacramento relief, need to build up the relief fund as soon as possible, Mr. Hobbs clarifying the options to get a handle on the Sacramento problem were (1) taking a closer look at general fund revenues, (2) the contingency plans prepared by departments, and (3) the emergency reserve, and continued questioning relative to whether the GCP was an actual department with staff, funds for specific expenses (legal, rent), why outside counsel is used and not the city attorney's office, funding for ICMA/dues and membership, and funding for the Business Council.

There was no further discussion.

PLANNING AND DEVELOPMENT DEPARTMENT:

Planning and Development Director Yovino thanked his staff and those involved in the budget preparation and gave a PowerPoint presentation of his department's budget including a detailed breakdown of their housing program, all as contained in the follow-along material as submitted **(7 - 0)**.

Mr. Yovino, City Manager Hobbs, Controller/Finance Director Quinto, Code Enforcement Manager Villa, Management Analysts LeBlanc and Smith, and Budget Manager Smith responded at length to questions and comments of Councilmembers Calhoun, Boyajian and Duncan relative to need to finish hiring people as soon as possible for the positions approved last year, need to increase fees, the KRA One Fresno including number of homes that will be constructed, what the target areas are and if any of the funds can be used as leverage for other

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funds, the KRA on resources including timeline and status of the new UGM fees for police and fire stations, need to wean off CDBG money and if there was any plan to do so, need to make the vacant building ordinance a priority, the \$436,000 allocation, support for the building retrofit program, HOME funds and the Broadway Row project, need for CUP enforcement, noticing car lots who advertise cars on streets with a zero tolerance policy **(8 - 0)**, request to set up a simple mechanism to notify council members when an application is filed in their district, and disappointment that nothing is included in the budget to support the Roeding Business Park and need to jump-start the park.

MOTION - Duncan/Sterling - Direct \$250,000 of planning and development reserves for a one-year pilot project to waive planning and development fees in the Roeding Business Park for new company relocations to Fresno or expansions of local companies.

Ms. Smith, Mr. Yovino, Mr. Hobbs, Ms. LeBlanc, Ms. Quinto, Mr. Villa, Housing Manager Sigala and City Attorney Montoy responded to questions and/or comments of Councilmember Dages, Acting President Perea and Councilmember Sterling relative to city-wide department goals and if they are all funded and will require 5 votes for approval, number of new positions, the Safe Home Implementation Program (SHIP) and collaborating with the Board of Realtors, the 10% reserve, code enforcement fines and collection process, mixed used development and updating ordinances, if mixed-use development could still occur downtown and in the Tower District, if there was a way to expedite the process until the ordinances are updated, HOME funds and how much is allocated to Broadway Row, if there are any obstacles for developers to use HOME funds for downtown projects, goals for downtown housing development, if the city owned land in the Uptown District, the senior paint program, illegal dumping and establishing a city-wide alley closure program, status of the zoning ordinance update for mixed uses, status of the group home ordinance, enforcement of historic preservation ordinance and if additional funds were needed, and need to appropriate funds for the Hotel Fresno project.

MOTION - Sterling/Castillo - Allocate \$2 million in HOME funds to the Hotel Fresno proposal by the National Farm Workers Service Center as follows: \$1 million in unappropriated funds and by defunding the North and Clara single family project in the amount of \$250,000, the Hammond Development Project in the amount of \$440,000, new affordable housing projects in the amount of \$85,000, the City Make Over Demonstration project in the amount of \$25,000 and the remaining from the Squire Development Project in the amount of \$200,000 (all projects in District 3).

Mr. Yovino, Mr. Villa and Councilmember Boyajian responded to questions of Councilmember Dages and President Castillo relative to the Southeast Transit Village Project, code enforcement and if there was full-time weekend coverage, if additional staff was needed for code enforcement, the SHIP program, violations in the El Dorado Park area, fee collection process, the housing program money for land acquisition that was reduced from \$175,000 to zero **(9 - 0)**, and working with staff and Fresno County to draft an ordinance making it illegal for a slumlord to own property in the city that is a health and safety hazard.

The department was commended and there was no additional discussion.

RECESS - 4:37 P.M. - 4:56 P.M.

FIRE DEPARTMENT:

Chief Bruegman gave an overview of the department's FY 2004 accomplishments and reviewed the FY 2005 budget including key initiatives and strategic initiatives.

Councilmember Duncan commented and presented questions on the department's long list of unmet needs, need to catch up on

capital expenditures, need to focus on the needs, if there was some way to equip each truck with a cell phone to help people so firefighters do not have to offer their own and pick up that cost, and consolidating services and putting airport fire and police under the purview of the police and fire chiefs, and made a motion to that effect. City Manager Hobbs stated this issue was currently being looked at and the two chiefs were talking with the airports director, advised the numbers he was seeing so far were unreasonable to him (at least \$500,000), and stated further study was needed. Councilmember Duncan responded and stated it was Council's right if they wanted to look at the issue as more of a public safety priority than more of a fiscal priority and reiterated his motion.

MOTION - Duncan/Calhoun - Request the Fire Chief and Police Chief to return with a recommendation on the consolidation of airport fire and police services with their respective departments (with no specific time limit as the issue is currently being looked into).

Councilmember Calhoun commented on the public safety report and his shock at past funding levels, Opticom and if there were problems, fire loss average, emergency medical service (EMS) levels including discussions with American Ambulance and Fresno County, fire inspectors/staffing, and need for people to pay for services received, with Chief Bruegman and unidentified staff responding throughout.

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Acting President Perea questioned the unmet needs/key initiatives and need to replace four outdated engines and two aerial ladder trucks, with Chief Bruegman responding.

MOTION - Perea/Duncan - Purchase four engines and two aerial ladder trucks.

Acting President Perea presented additional questions relative to EMS and if 70% of the department's work was EMS related and why EMS was contracted out.

MOTION - Perea/Duncan - Replace 60 portable outdated radios used by fire personnel at service calls at the cost of \$48,600.

Staff, Chief Bruegman, Mr. Hobbs, Budget Manager Smith and Chief Aranaz responded to questions/comments of Councilmembers Boyajian and Dages and President Castillo relative to the \$30.8 million in fire loss and if causes have been categorized **(10 - 0)**, engine staffing, new development/fire stations, suspect/concern with training costs, rapid response vehicles, if the department had a contingency fund, special projects, why the increase in workers compensation was so high compared to other departments, training and support services and costs, permanent salaries for a fire station not yet built, the recently approved MOU and the training program, cost to run one group of trainees, fringe and salary, and additional questions on the firefighter trainee program.

MOTION - Castillo/Perea - Redirect the \$158,000 for Imagine Training towards the firefighter training program.

There was no further discussion.

AIRPORTS DEPARTMENT:

Director of Aviation Widmar and Outgoing Interim Director Esquivel reviewed FY 2004 accomplishments and the department's 2005 budget including Capital initiatives, Operating initiatives, FYI security cost increase, multi-year transition rates, and airline payments per enplaned passenger and concluded the presentation.

Mr. Esquivel and Controller/Finance Director Quinto responded to questions/comments of Councilmembers Boyajian and Dages relative to plans to diversify the revenue base besides cargo, if the \$1 million development grant would go to subsidize some airlines, loss of passengers/leakage rates, marketing budget costs, lack of flight schedule monitors, and if the department had a contingency fund.

There was no further discussion.

FINANCE DEPARTMENT:

President Castillo stated this would be the last department heard this date.

(11 - 0) Controller/Finance Director Quinto thanked her staff, gave an overview of the department's mission statement, department structure, and FY 2004 accomplishments, and along with Assistant Controller Bradley gave a lengthy review of the FY 2005

budget including the city-wide collection program, the one-call center, and FY 2005 challenges.

Discussion ensued with Councilmembers Calhoun and Boyajian commending staff on providing services on limited dollars, the one call center, and the debt collection program, and commented on and/or presented questions relative to the issue of business taxes, support for using charts, diversifying economic resources on an on-going basis, the increase in accounting, and numerous questions relative to debt, investments issues, and the department's expertise. There was no further discussion.

ECONOMIC DEVELOPMENT - Laid over to June 8, 2004

Relative to the deadline to adopt the budget, Chief Assistant City Attorney Sanchez noted the Mayoral veto process added a number of days and advised the budget needed to be completed by the middle of June, whereupon Council added an additional day, Wednesday, June 16th, to the hearing schedule to complete the budget starting at 9:00 a.m.

The budget hearing was continued to June 8th at 11:00 a.m.

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ADJOURNMENT

There being no further business to bring before the City Council, the hour of 7:05 p.m. having arrived and hearing no objections, President Castillo declared the meeting adjourned.

APPROVED on the ____8th____ day of ____June____, 2004.

_____/s/_____
Brad Castillo, Council President

ATTEST:_____/s/_____
Yolanda Salazar, Assistant City Clerk

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